

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

November 28, 2005

IN RE:)	
)	
REVIEW OF NASHVILLE GAS COMPANY'S)	DOCKET NO.
IPA RELATING TO ASSET MANAGEMENT FEES)	05-00165

ORDER ESTABLISHING PROCEDURAL SCHEDULE

This matter came before the Hearing Officer for the establishment of a procedural schedule.

BACKGROUND

At a regularly scheduled Authority Conference held on June 13, 2005, the voting panel assigned to TRA Docket No. 04-00290¹ unanimously approved the Incentive Plan Account ("IPA") as filed by Nashville Gas Company ("Nashville Gas" or the "Company"), a division of Piedmont Natural Gas Company, for the year ended June 30, 2004 and ordered a new docket to be opened to consider issues associated with the Company's inclusion of asset management fees in the IPA. As a result, this docket was opened and on June 27, 2005, the panel assigned to this docket voted to convene a contested case and appoint a Hearing Officer to hear preliminary matters prior to the Hearing and to set a procedural schedule to completion.² On July 7, 2005, the Consumer Advocate filed a *Petition to Intervene*, which was granted on July 19, 2005.³

¹ See *In re Audit of Nashville Gas Company's Incentive Plan Account for the Plan Year Ended June 30, 2004*, TRA Docket No. 04-00290

² *Order Convening a Contested Case Proceeding and Appointing a Hearing Officer* (July 12, 2005)

³ See *Order Granting Petition to Intervene* (July 19, 2005)

NOVEMBER 2, 2005 STATUS CONFERENCE

At a status conference held on November 2, 2005, the Hearing Officer stated that the Audit Staff, by virtue of this docket arising out of Docket No. 04-00290, had been deemed a party to this docket. Therefore, the Hearing Officer directed Audit Staff to comply with the provisions of Tenn. R. & Regs. 1220-1-2-.21(5). In addition, the parties then requested that the Hearing Officer make a determination concerning which party has the burden of proof. The Hearing Officer found that because the issue is the appropriateness of the inclusion of the asset management fee which arose from the Audit Staff's report, the burden of proof should be on Audit Staff. After discussion, the following schedule was adopted:

November 14, 2005	First round of discovery requests due
November 21, 2005	Proposed protective order due
December 14, 2005	First round discovery responses and objections due
January 3, 2006	Motions to compel due; second round of discovery requests due
January 6, 2006	Responses to motions to compel due
January 9, 2006	Status conference on discovery issues at 2:00 p.m. (if needed)
January 20, 2006	Second round discovery responses and objections due
January 27, 2006	Motions to compel due
January 30, 2006	Responses to motions to compel due no later than 4:00 p.m.
January 31, 2006	Status conference on discovery issues at 2:00 p.m. (if needed)
February 20, 2006	Direct testimony due
March 20, 2006	Response testimony due

April 3, 2006

Rebuttal testimony due

April 17, 2006

Surrebuttal testimony due


May 15, 2006

**Proposed date for hearing on merits; date
subject to confirmation by the assigned
panel of Directors**

An addendum to the procedural schedule will be issued upon confirmation of the Hearing date. All filings are due by 2:00 p.m. on the dates indicated unless otherwise noted.

IT IS THEREFORE ORDERED THAT:

A procedural schedule is established as stated herein.


Jean A. Stone, Counsel
As Hearing Officer